

**Virginia Soil and Water Conservation Board
Thursday March 16, 2006
Virginia Department of Forestry
Charlottesville, Virginia**

MINUTES

Virginia Soil and Water Conservation Board Members Present

Linda S. Campbell, Chair	Robert M. "Bobby" Hall
Granville M. Maitland, Vice Chair	Joseph H. Maroon, Director, DCR
Richard E. McNear	Jean R. Packard
Michael J. Russell	Raymond L. Simms
M. Denise Doetzer	

Virginia Soil and Water Conservation Board Members Not Present

Benjamin H. Graham	Susan Taylor Hansen
--------------------	---------------------

DCR Staff Present

Russell W. Baxter	William G. Browning
David C. Dowling	Jack E. Frye
Michael R. Fletcher	Mark B. Meador
Lee Hill	Jim Robinson

Others Present

John S. Bailey, Lake of the Woods Association
Tyler Bishop, McGuire Woods Consulting
Neil Buttimer, Lake of the Woods Association
Steve Calos, VASWCD
Melanie Dynes, Lake of the Woods Association
J. Michael Foreman, Virginia Department of Forestry
Robin Knepper, Fredericksburg Freelance Star
William Monroe, Augusta County Service Authority
Doug Rogers, Lake of the Woods Association
Alyson Sappington, District Manager, Thomas Jefferson SWCD

Call to Order

Chairman Campbell called the meeting to order and declared a quorum present.

Minutes of January 20, 2006 Meeting

MOTION: Mr. Maitland moved that the minutes of the January 20, 2006 meeting be approved as submitted.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously

Director's Report and Legislative Update

Mr. Maroon gave the Director's Report and Legislative Update. A copy of the legislative summary is attached as Attachment #1.

Mr. Maroon said that it continued to be a busy time with the General Assembly session and budget issues.

Mr. Maroon said that the previous day, the State Water Control Board had authorized a public comment period regarding the nutrient credit exchange program. This will have an impact on district directors as it pertains to nonpoint source programs. Mr. Maroon said Mr. Baxter and Mr. Frye were available to answer questions.

Mr. Baxter noted that as a Delegate, Secretary of Natural Resources Preston Bryant had authored the nutrient exchange legislation. Mr. Baxter said that it was important to note that the provisions for nonpoint sources only come into play for new and expanding point sources. The only time the nonpoint comes into the program is when a small facility expands beyond a certain level and needs to offset the new load. For example if a new sewage treatment plant does not have the allocation they have to offset the new load as well. DCR will work with DEQ in making determinations on how this will be structured.

Mr. Maroon noted that the completed district study had been mailed to members. He reviewed the following points from the Executive Summary

1. Funding variations from year to year have dramatic impacts on the ability to deliver programs.
2. Current programs address nonpoint source pollution problems largely through voluntary actions of landowners and managers.
3. Assessing agricultural BMP efficiency and effectiveness is complex.
4. It is uncertain that the needed levels of voluntary participation by farmers will be achieved to reach the projected quantities of BMPs needed within the tributaries that feed the Chesapeake Bay.

5. Agricultural BMPs provide reductions in nonpoint source contaminants but the effective life span of various practices is relatively short lived and must be renewed.
6. There has been significant success in implementing agricultural BMPs in areas where SWCDs have focused their efforts and funding.

The key findings in the report were:

1. Repeat farmer participation in the Agricultural BMP Cost-Share Program is low.
2. The Agricultural BMP Cost-Share Program relies largely on cost effective practices.
3. Cover crops and livestock exclusion are the most widely implemented BMPs
4. SWCDs are presently “at capacity” with implementation of agricultural incentive programs.

The following future needs were identified:

1. Implementation of an annual SWCD report that captures farmer participation in local SWCD programs.
2. Funds to implement needed practices.
3. Funds to provide essential state and local service delivery.
4. Increased outreach efforts to farmers.

Mr. Meador reminded the Board that the overall charge and findings for the study were based on a question with regard to the effectiveness of fund put in the Water Quality Improvement Fund. He noted that the Board has previously discussed the urban contribution, but that the directive of the study was to focus on agriculture.

Mr. Meador said that a consultant has been retained to survey district directors and that at least one director from each district would be contacted.

Ms. Packard noted that in the survey call she received most of the questions did not apply to Fairfax County.

Mr. Maitland said that there was also a need to address hobby and weekend farmers.

Mr. Baxter said that in addition to district directors, others being surveyed were extension agents, local governments, landowners and farmers.

Ms. Doetzer said that she believed there is an information gap. She said that some people use best management practices without any cost share assistance. She asked if there was a way to compile that data. She said it would be particularly helpful in meeting the goals of 2010.

Mr. Baxter said there might need to be in another study. He noted that in addition to the phone survey focus groups were being convened.

Mr. Meador said that there were eight farmer groups and no less than two with district staff, NRCS staff and extension.

Ms. Doetzer said that NRCS held program focus groups a few years ago. She agreed to try to provide DCR with a copy of that study.

Mr. Maroon reviewed some of the highlights of the legislative package.

Mr. Maroon said there was a lot of activity with regard to Dam Safety. House Bill 596, sponsored by Delegates Sherwood and Scott and Senate Bill 624 were identical bills. This passed the General Assembly and is awaiting the Governor's signature. This bill reconstitutes the current Flood Prevention and Protection Assistance Fund into the new Dam Safety, Flood Prevention and Protection Assistance Fund.

Mr. Maroon noted that there is no new funding source going into this fund. Currently there is approximately \$250,000 from flood insurance premiums that goes into the fund.

House Bill 597 adds additional enforcement tools and due process procedures. Mr. Dowling noted that the department still needs EPA concurrence.

House Bill 684 clarifies what are acceptable flow rates from storm runoff at sites where land development projects are occurring.

House Bill 1454 allows any person who has created and operates an approved wetlands mitigation bank in multiple jurisdictions to annually file erosion and sediment control specifications for wetlands mitigation projects with the Virginia Soil and Water Conservation Board. This bill will not take effect unless funding is approved for DCR to add that position.

House Bill 963 adds taxpayers who have horses or "equines" that create needs for agricultural BMPs to those who may qualify for the agricultural best management practices tax credit, for taxable years beginning January 1.

House Joint Resolution 107 would have requested DCR to study whether an Urban Best Management Practices Cost-Share and Tax Credit Program, modeled after the Agricultural Best Management Practices Cost-Share and Tax Credit Program, would be beneficial and an economically efficient method for meeting the nutrient and sediment reduction goals of the Chesapeake Bay Agreement. While this bill failed to advance, DCR agreed to do the study without the legislation.

Mr. Maroon noted that page 6 of the handout addressed some of the budget highlights. However he reminded members that the General Assembly adjourned without agreement on the budget and would be reconvening in special session to address the budget.

Regulatory Update

Mr. Dowling gave the following Regulatory Update:

Dam Safety and Stormwater Regulatory Update

March 16, 2006

BACKGROUND

- On December 26, 2005 three Notices of Intended Regulatory Action or NOIRAs were published in the Virginia Register of Regulations by DCR on behalf of the Board. They were:
 - The Impounding Structures Regulations commonly referred to as the Dam Safety NOIRA;
 - The Virginia Stormwater Management Program VSMP Permit Regulations NOIRA related to the development of local stormwater program criteria and permit delegation procedures; and
 - The Virginia Stormwater Management Program VSMP Permit Regulations NOIRA related to the changes in the statewide stormwater fee schedule.
- The public comment period for each of these NOIRAs opened on December 26, 2005 and closed 60 days later on February 24, 2006 at 5:00 p.m.
- Three public hearings were held on these NOIRAs. One hearing on the Dam Safety NOIRA was held on February 9, 2006 in Charlottesville; and two combined meetings were held on the stormwater NOIRAs. One on February 16, 2006 in Roanoke and one February 17, 2006 in Richmond.
- We appreciated Mr. Russell's attendance at both the Charlottesville and the Roanoke meetings.
- Minutes for the 3 public meetings are included in your packets and we will be making summaries of the written comments received available to the Board. If any of the members would like complete copies of the written comments please let me know.

RESULTS

- For the Dam Safety NOIRA, we had 44 people attend the public meeting in Charlottesville (not including DCR staff) and 19 people spoke (primarily dam owners, a few localities, and engineering companies). In addition to the individuals who spoke at the public meeting, 37 people submitted written comments.
- The public stormwater meeting held in Roanoke was attended by 24 people (primarily localities, engineering companies, and state agencies). No one wished to provide any formal comments, although clarifying questions were asked by a number of individuals in attendance.
- The public stormwater meeting held in Richmond was attended by 23 people with 4 people who spoke. Again, questions were asked by other individuals in attendance. In addition to the individuals who spoke at the public meetings, 10 people submitted written comments on stormwater issues.
- Overall, I would characterize the dam safety discussion to date as passionate and energized. I would generally characterize the issues as follows:
 - Those that believe that requiring the upgrading of dams to pass the PMF in many instances is unreasonable and imposes a substantial financial and administrative burden on dam owners and that an alternative procedure for the evaluation of spillway design floods be considered; and
 - Those that suggest that a PMF or near PMF creating storm event is realistic and may result in significant impacts if dam engineering standards are relaxed. Hurricane Camile in the late 1960's was highlighted as an example of a significant rainfall and flooding event.
 - All parties seemed to agree that a state funding source to assist with the cost of repairs through loans and potentially grants is necessary.
- The stormwater issues are still much more fluid. At this point in the regulatory action, most localities are just trying to get a feel for the process, timelines, and what it might mean for them. Many of the larger municipalities want to know how stormwater program implementation will affect their current operations, ordinances, staffing, and fees. Many of the smaller localities are questioning whether they will have to administer a program or whether they can team up with other localities, PDCs, or Soil and Water Conservation Districts to assist. Few have suggested specific ideas but all have indicated their desire for additional information and to participate in the development of the local program criteria.

NEXT STEPS

- Currently staff are working on finalizing Technical Advisory Committee participant lists and hope to be sending out invitation letters in the near future. We plan on establishing one Dam Safety TAC and one Stormwater TAC that will

tackle both stormwater NOIRA issues. We will keep the Board apprised of the TAC meeting dates when they are established. We are also finalizing our selection of facilitators for the TACS.

- Currently we are contemplating 4 dam safety TAC meetings and perhaps 6 stormwater TAC meetings all to be held between early April and early July.
- In terms of a calendar for the remainder of these regulatory actions the following tentative schedule has been developed as a working framework.
- The proposed regulations must be submitted to the Department of Planning and Budget within 180 days of the close of the public comment period on the NOIRAs. This would mean that the proposed regulations must be filed by August 23rd.
- During this 180 period leading up to August 23rd, the Department will select TAC members, hold a series of Technical Advisory group meetings to develop recommendations to the Department and Board, draft the proposed regulations, seek Attorney General approval of the regulatory amendments, seek approval of the proposed regulations from the Board (tentatively at the July 20th meeting), consult with the Secretary's Office, and submit the regulation to DPB.
- Department of Planning and Budget review will run from August 23rd to October 7th during which time they will prepare an economic impact analysis. Following their review, it is expected that the Administration's review may take through at least the end of October.
- It is hoped that we will be in a position to submit the proposed regulation to the Register on November 8th for publication on November 27th, 2006.
- Upon publication, the public comment period will run from November 27th to January 26, 2007, unless further extended. On this schedule, public hearings on the regulations would need to be held around the state beginning on January 11th which will unfortunately coincide with the beginning of the 2007 Legislative Session on January 10th.
- Again if we remain on schedule, the final regulations would be due around the end of June with an anticipated completion date of around the end of September 2007. The regulations would not be effective until approved by EPA.
- Staff are also currently conducting research on both the dam safety and stormwater issues. For dams, we are studying other states regulatory programs and criteria. For stormwater, we are researching what EPA has allowed nationwide in terms of states delegating stormwater program implementation

down to localities. We will utilize this research as part of our beginning dialogue with EPA on program delegation.

Mr. Maroon said that both of these were very significant regulations. He encouraged members to participate in the process and to attend the Technical Advisory Committee meetings.

Ms. Campbell suggested that an informal survey be conducted at the hearings regarding how people heard about the meeting.

Mr. Russell asked if DCR had a count on the number of other states with similar programs.

Mr. Dowling said that it was still preliminary, but that about twenty states have done something.

Stormwater Management Program

Mr. Hill gave the report on the Stormwater Management Program.

Mr. Hill said that Municipal Separate Storm Sewer System (MS4) localities are separate from the combined systems. The Soil and Water Conservation Board oversees MS4 permitting. There are 11 large or medium MS4s in the Commonwealth. Previously these permits were issued by the Department of Environmental Quality on a five-year cycle. Staff is currently working with six programs in Southeast Virginia. They are: Norfolk, Hampton, Henrico, Hanover, Arlington and Portsmouth.

Staff will make a full presentation regarding these programs at the next Board meeting.

There are 99 small MS4s, that are general permits. Those expire in December 2007.

Mr. Hill said that from July 1 through March 15, the department issued 1,540 permits and was in the process of issuing another 50-60.

Erosion and Sediment Control Program Actions

Mr. Hill presented the recommendations for program consistency for the following localities: Culpeper County, Fairfax County, James City County, Rappahannock County, Stafford County and the City of Virginia Beach.

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board commend Culpeper County, Fairfax County, James City County, Rappahannock County, Stafford County and the City of Virginia Beach for successfully improving the City's Erosion and Sediment Control Law and Regulations, thereby providing better protection for Virginia's soil and water resources.

SECOND: Mr. Hall

DISCUSSION: Mr. Hill said individual letters would be sent to each of the localities.

VOTE: Motion carried unanimously

Mr. Hill presented the 2006 Annual Standards and Specifications for Utility Companies.

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board receive the staff update concerning the review of the 2006 annual standards and specifications for electric, natural gas, telecommunications and railroad companies and that the Board concur with staff recommendations for conditional approvals of the 2006 specifications and the request for variances for the utility companies listed below in accordance with the Erosion and Sediment Control Law. Further the Board requests the Director to have staff notify said companies of the status of the review and the conditional approval of the annual standards and specifications and the request for variances.

The four items for conditional approval are:

1. A revised list of all proposed projects planned for construction in 2006 must be submitted by April 7, 2006. The following information must be submitted for each project:
 - Project name (or number)
 - Project location (including nearest major intersection)
 - On-site project manager name and contact information
 - Project description
 - Acreage of disturbed area for project
 - Project start and finish dates

2. Project information unknown prior to April 7, 2006 must be provided to DCR two (2) weeks in advance of land disturbing activities by e-mail at the following address linearprojects@dcr.state.va.us.
3. Notify DCR of the Responsible Land Disturber (RLD) at least two (2) weeks in advance of land disturbing activities by e-mail at the following address linearprojects@dcr.state.va.us. The information to be provided is name, contact information and certification number.
4. Install and maintain all erosion and sediment control practices in accordance with the 1992 Virginia Erosion and Sediment Control Handbook.

Variances were requested for Minimum Standard 16/1 and Minimum Standard 16.b. The responses to the requests for the variances are as follows:

1. Minimum Standard 16.a: The project may have more than 500 linear feet of trench length opened at one time provided that all trenches in excess of 500 feet in length are adequately backfilled, seeded and mulched at the end of each work day and adjacent property and the environment are protected from erosion and sediment damage associated with the regulated land disturbing activity.
2. Minimum Standard 16.b: The variance to this criteria is not necessary due to Minimum Standard 16.f which allows applicable safety regulations to supercede the Virginia Erosion and Sediment Control Regulations.

Companies recommended for conditional approval with the 4 conditions are:

Electric: Virginia Association of Electric Cooperatives

Gas: Colonial Pipeline

Companies recommended for conditional approval with the 4 conditions and the variance request for Minimum Standard 16.a are:

Railroad: Norfolk Southern Railroad

Companies recommended for conditional approval with the 4 conditions and the variance requests for Minimum Standard 16.a and 16.b are:

Gas: Dominion Gas Transmission

SECOND: Mr. Maitland

DISCUSSION: Mr. Russell asked for list of locality projects and said that when he is in the area he would like to visit the project sites.

Mr. Hall asked if Colonial Pipeline and Dominion Gas were the only gas companies in the Commonwealth.

Mr. Hill said that there was also Columbia Gas.

District Director Resignations and Appointments

Mr. Meador presented the following list of District Director Resignations and Appointments:

Appomattox River

Resignation of Robert Hall Spiers, Jr., Dinwiddie County, effective 3/1/06, elected director position (term of office expires 1/1/08).

Recommendation of Maxwell W. Watkins, Jr. Dinwiddie County, to fill unexpired elected term of Robert Hall Spiers, Jr. (term of office to begin on or before 4/15/06 – 1/1/08).

Tidewater

Resignation of Cara E. Carmine, Gloucester County, effective 1/25/06, appointed director position (term of office expires 1/1/07).

Recommendation of Jason R. Bray, Middlesex County, to fill unexpired elected term of Cheryl D. Minnick (term of office to begin on or before 4/15/06 – 1/1/08).

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board approve the list of District Director Resignations and Appointments as submitted by staff.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously.

Petition Submitted by Charlottesville City to join the Thomas Jefferson SWCD

Mr. Meador presented an overview of the petition submitted by the City of Charlottesville to join the Thomas Jefferson Soil and Water Conservation District. He reviewed the process for the creation or modification of a Soil and Water Conservation District. He recognized Alyson Sappington, District Manager for the Thomas Jefferson SWCD.

Mr. Meador reminded the Board of the Board policy entitled “Financial Commitments for Establishment of a New Soil and Water Conservation District, or Realignment of an Existing District.”

Ms. Packard asked if the \$1,000 commitment from the City of Charlottesville was understood to be annual.

Mr. Meador said that was referenced in the resolution from the City.

Mr. Meador said that the District has concurred with this request. He noted that if the Board accepted the petition then public hearing would need to be held in both localities.

Ms. Campbell said that she had previously spoken with Mr. Russell about serving as the hearing officer.

MOTION: Mr. Maitland moved that with concurrence by Senior Assistant Attorney General Roger Chaffe that the petition submitted by the City of Charlottesville proposing realignment of the Thomas Jefferson SWCD (TJ SWCD) satisfies requirements of state law, and the concurrence of the TJ SWCD directors that they support the petition, the Virginia Soil and Water Conservation Board approve the Charlottesville City petition as enabled by § 10.1-510 of the *Code of Virginia* and further directs:

- 1) DCR staff to plan and conduct two public hearings prior to May 1st, 200, one within the City of Charlottesville and the other within the existing TJSWCD.

- 2) VSCWB member Michael J. Russell to serve as hearing officer for the two sessions.
- 3) DCR staff to publish required public notices of these meetings.
- 4) DCR staff to provide a summary report of the conclusions from these hearings to the VSWCB during the Board's May 18, 2006 meeting.

SECOND: Mr. Hall

DISCUSSION: Mr. Simms clarified that the \$500 per director did not go to directly to the directors, but was for the covering of expenses.

Ms. Sappington said that the District is already working within the City of Charlottesville in providing technical assistance and educational programs. She said that this action would formalize the relationship.

VOTE: Motion carried unanimously

Possible Changes to the Policy for Financial Assistance for SWCDs

Mr. Meador presented copy of the Board's policy on Financial Assistance for Soil and Water Conservation Districts. He noted that this was for Board consideration for possible action at the May meeting. A copy of this policy is attached as Attachment #2.

Mr. Meador noted that the policy says that before June 1 of each year the Board will review the policy and to Attachment A, the Performance Deliverables for Acceptance of DCR Funds. A copy of Attachment A is attached as Attachment #3.

Mr. Meador said it was the recommendation of staff that the policy remain in effect without change, however, technical edits were provided for Attachment A.

Mr. Maitland said that it was important to make the distinction that and agricultural enterprise may not necessarily be a farm. Mr. Meador agreed to strike the word "farmer."

Mr. Maitland expressed concern with item 3 under section V that reads, "It is undesirable for any public entity to accumulate more than about six months of undedicated reserve funds." He noted that his district had previously invested personal funds and had collected interest on those funds. He expressed a concern that the state would try to appropriate those funds.

Mr. Maroon clarified that this policy would apply to funding where the state had been the original source for the funding.

Lake Barcroft WID Budget Approval

Mr. Meador presented the draft budget for the Lake Barcroft Watershed Improvement District. A copy of this budget is available from DCR.

Ms. Packard said that the District has worked very closely with the WID to clarify the budget process.

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board approve the Lake Barcroft Watershed Improvement District Budget for Fiscal Year 2007.

SECOND: Mr. Russell

DISCUSSION: None

VOTE: Motion carried unanimously

Watershed Planning Requests for NRCS Assistance

Ms. Doetzer presented to requests for planning assistance for watershed planning staff to help localities with flooding issues. This assistance comes from the USDA but requires Soil and Water Conservation Board approval for the submission of the application.

Those requests were:

Gross Creek Watershed in Farmville, Prince Edward County

Town of Glasgow, Rockbridge County

Copies of the requests are available from DCR.

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board approve and support the applications for assistance in planning under the Watershed Protection and Flood Prevention Act from:

- 1) The Piedmont Soil and Water Conservation District sponsoring efforts by the Town of Farmville to address resource issues in the Gross Creek Watershed, and

- 2) Natural Bridge Soil and Water Conservation District sponsoring efforts by the Town of Glasgow in Rockbridge County.

SECOND: Mr. Russell

DISCUSSION: Mr. Maroon asked if the Board was approving the actual grant.

Ms. Doetzer said that the Board was approving the application process by the District.

VOTE: Motion carried unanimously

Dam Safety Certificates and Permits

Mr. Browning presented the Dam Safety Certificates and Permits. He noted that as a result of no actions in January, there were about 80 or 90 dams for recommended action.

Out of Compliance

Mr. Browning presented an update on the Out of Compliance dams. Those dams are:

01516 Upper Wallace	AUGUSTA	Class III Regular
01533 Fauber	AUGUSTA	Class I
06119 Lake Mellott	FAUQUIER	Class II
06921 Lake Isaac	FREDERICK	Class II Construction
07507 Pruitt's	GOOCHLAND	Class III Regular
07915 Greene Mountain	GREENE	Class II Conditional
08539 Mattawan	HANOVER	Class III Regular
17907 Little Lake Arrowhead	STAFFORD	Class II
17908 Lake Arrowhead	STAFFORD	Class II Regular

There was no Board action necessary on Out of Compliance dams.

Operation and Maintenance Certificate Recommendations

Mr. Browning presented the following Operation and Maintenance Certificate Recommendations.

00380 PVCC	ALBEMARLE	Class III Regular	3/31/2012
00387 Broadmoor Lake	ALBEMARLE	Class II Conditional	3/31/2008
01509 South River #6 Sengers Mt. Lake	AUGUSTA	Class I Conditional	3/31/2008

Stone Creek			
02914 Horsepen Creek	BUCKINGHAM	Class III Regular	3/31/2012
04501 Johns Creek #2	CRAIG	Class I Conditional	3/31/2008
04504 Johns Creek #4	CRAIG	Class I Conditional	3/31/2008
05106 Laurel Lake	DICKENSON	Class III Conditional	3/31/2007
05931 Fairview Lake	FAIRFAX	Class I Conditional	9/30/2006
05937 Hunter Mill Estates	FAIRFAX	Class III Regular	3/31/2012
Regional Pond			
06145 Cedar Run #3	FAUQUIER	Class I Regular	3/31/2012
06523 Camp Friendship	FLUVANNA	Class III Regular	3/31/2012
07908 Deer Lake	GREENE	Class II Regular	3/31/2012
07909 Reynolds Farm Dam	GREENE	Class II Regular	3/31/2012
08548 Charter Lake	HANOVER	Class II Regular	3/31/2012
08713 Wellesley	HENRICO	Class I Regular	3/31/2012
09529 Eastern Pond (PC 106)	JAMES CITY	Class III Conditional	7/31/2006
10126 Central Crossing	KING WILLIAM	Class III Conditional	3/31/2008
10902 Little River Dam #4	LOUISA	Class III Regular	3/31/2012
10924 Little River Dam #1	LOUISA	Class III Regular	3/31/2012
12703 Diascund	NEW KENT	Class I Regular	3/31/2012
12714 Patriots Landing	NEW KENT	Class II Conditional	3/31/2008
Pond #3			
12715 Patriots Landing	NEW KENT	Class II Conditional	3/31/2008
Pond #4			
14304 Burton	PITTSYLVANIA	Class III Conditional	3/31/2008
14530 Multitrade Raw	PITTSYLVANIA	Class I Regular	3/31/2012
Water Storage			
16102 Loch Haven Lake	ROANOKE	Class II Regular	3/31/2012
17916 Rocky Pen #2A	STAFFORD	Class III Regular	3/31/2012
17922 Seven Lakes	STAFFORD	Class II Regular	3/31/2012
18703 Spring Lake	WARREN	Class II Regular	3/31/2012
66002 Lake Terrace	HARRISONBURG	Class III Conditional	5/31/2006

Ms. Packard asked how long a dam could stay on the conditional list before the Board must take action.

Mr. Browning said that there is no statutory requirement, however the limit on a conditional certificate is two years. Staff continues to try to be reasonable in the approach if the owner is making an effort to meet the requirements of the Code and Dam Safety Regulations.

Mr. Maroon noted that many of the dams had been left in conditional status far too long. He noted that Mr. Browning and staff were attempting to get the dams back on a regular schedule.

Mr. Browning noted that action regarding Lake of the Woods dams would be considered separately. He also noted that Inventory #16105 Woods End Dam should be removed from consideration due to incomplete information.

Mr. Maroon noted that he would abstain from action regarding the dam at Breaks Interstate Park.

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board approve the Operation and Maintenance Certificate Recommendations as presented by DCR staff and that staff be directed to communicate the Board actions to the affected dam owners.

SECOND: Mr. Hall

DISCUSSION: None

VOTE: Motion carried with Mr. Maroon abstaining from the action regarding Breaks Interstate Park.

Construction and Alteration Permits

Mr. Browning presented the list of Construction and Alteration Permit Recommendations.

00387 Broadmoor Lake	ALBEMARLE	Class II Alteration 03/16/06-03/31/08
05106 Laurel Lake	DICKINSON	Class III Alteration 03/16/06-03/31/07
08549 Hanover County Regional Water Facility B-5	HANOVER	Class III Construction 03/16/06-03/31/08
09529 Eastern Pond (PC 106)	JAMES CITY	Class III Alteration 03/16/06-07/31/06
10126 Central Crossing	KING WILLIAM	Class III Alteration 03/16/06-03/31/08
12712 Patriots Landing Pond 1	NEW KENT	Class II Construction 03/16/06-03/31/08
12713 Patriots Landing Pond 2	NEW KENT	Class II Construction 03/16/06-03/31/08
12714 Patriots Landing Pond 3	NEW KENT	Class II Alteration 03/16/06-03/31/08
12715 Patriots Landing Pond 4	NEW KENT	Class II Alteration 03/16/06-03/31/08
19524 Victor Hall Dam Lonesome Pine Dam	WISE	Class II Alteration 03/16/06-03/31/08
66002 Lake Terrace	HARRISONBURG	Class III Alteration 03/16/06-05/31/06

Mr. Browning noted that the Lake of the Woods dam would be addressed as a separate item.

MOTION: Ms. Packard moved that the Virginia Soil and Water Conservation Board approve the Permit Recommendations as presented by DCR staff and that staff be directed to communicate the Board actions to the affected dam owner(s).

SECOND: Mr. Hall

DISCUSSION: None

VOTE: Motion carried

Extensions

Mr. Browning presented the list of Extension Recommendations.

00304	Lower Ragged Mountain	ALBEMARLE	Class I Conditional	7/31/06
00351	Peacock Hill	ALBEMARLE	Class III Regular	7/31/06
00356	Upper Ragged Mountain	ALBEMARLE	Class I Conditional	7/31/06
00701	Amelia	AMELIA	Class III Regular	7/31/06
01105	Lawson	APPOMATTOX	Class IV	7/31/06
01107	Taylor Dam	APPOMATTOX	Class III Regular	9/30/06
01519	Coles Run	AUGUSTA	Class I Conditional	11/30/06
01903	Beaverdam Creek	BEDFORD	Class II Conditional	11/30/06
01922	Ivy Hill	BEDFORD	Class I Conditional	9/30/06
02303	Rainbow Forest	BOTETOURT	Class I Conditional	11/30/06
03504	Golf Club	CARROLL	Class III Regular	7/31/06
03507	Stewarts Creek – Lovills Creek	CARROLL	Class I Conditional	7/31/06
05923	Pohick Creek #2 Lake Barton	FAIRFAX	Class I Conditional	5/31/06
06102	Di Guilian	FAUQUIER	Class III Conditional	7/31/06
06136	Hideaway Hills	FAUQUIER	Class III Conditional	5/31/06
06515	Andersons	FLUVANNA	Class III Conditional	5/31/06
06521	Fluvanna Correctional Center for Women	FLUVANNA	Class III Conditional	5/31/06
06702	Upper Blackwater River #4	FRANKLIN	Class I Conditional	9/30/06
06914	Lake Holiday	FREDERICK	Class I Conditional	3/31/08
07912	Twin Lakes #2	GREENE	Class III Regular	5/31/06
07913	Twin Lakes #1	GREENE	Class III Regular	5/31/06
09906	Lake Monroe	KING GEORGE	Class I Regular	7/31/06
10716	Oliver	LOUDOUN	Class II Conditional	7/31/06

13507 Nottoway	NOTTOWAY	Class III Regular	7/31/06
14104 Squall Creek	PATRICK	Class III Regular	9/30/06
14111 Davis (Williams)	PATRICK	Class III Conditional	7/31/06
14506 Lower Byers	POWHATAN	Class III Conditional	5/31/06
14513 Recreation Pond	POWHATAN	Class III Regular	5/31/06
15302 T. Nelson Elliott	MANASSAS	Class I Conditional	11/30/07
17105 Strasburg	SHENANDOAH	Class II Regular	5/31/06
17923 Bridle Lake	STAFFORD	Class I Conditional	5/31/06
18501 Upper Clinch River #8 (Lincolnshire)	TAZEWELL	Class I Conditional	1/31/07
18701 Lake of the Clouds	WARREN	Class II Conditional	3/31/07
81003 Stumpy Lake	VIRGINIA BEACH	Class I Conditional	9/30/06

Mr. Browning said that a representative of the Coles Run Dam was present to provide comments to the Board. He said that staff would be prepared to provide an update/revised recommendation at the May meeting.

Ms. Campbell recognized William Monroe, Senior Project Engineer with the Augusta County Service Authority.

Mr. Monroe said the Service Authority had concerns with the status of the dam. He said that the Service Authority was created in 1966 and now has approximately 7,000 sewer customers and 13,000 water customers. The Service Authority has 12 different water production facilities.

Mr. Monroe said that the Service Authority has been reviewing the implications if the permit status is changed. The dam was constructed in 1950 and the spillway was widened in 1969. In 1987 the dam received the first conditional certificate.

Mr. Monroe outlined the following concerns:

- The Service Authority is very concerned with being in compliance and has been making efforts to ensure that the DCR requirements are clearly defined before obligating funds.
- The Service Authority has delayed the installation of an IFLOWS device for Coles Run, originally budgeted in 2003-04 because of uncertainty of regulatory requirements since receiving the 2004 conditional certificate.
- From 2003 to present, the Service Authority has been engaged in and paying for work performed by consulting engineering firms with active participation of DCR staff only to have the DCR requirements interpreted, modified or left undefined.

Mr. Monroe provided a copy of a letter addressed to the Board along with a detailed outline of his comments. A copy of that letter is available from DCR.

MOTION: Mr. Simms moved that the Virginia Soil and Water Conservation Board approve the extension recommendations as presented by DCR staff and that staff be directed to communicate the Board actions to the affected dam owners.

SECOND: Mr. Hall

DISCUSSION: None

VOTE: Motion carried unanimously

Lake of the Woods

Mr. Browning provided members with a handout that included:

- 1) A recommended motion regarding Lake of the Woods Dam
- 2) Correspondence from Dewberry and Davis to Mr. John Bailey dated March 15, 2006
- 3) Correspondence from Lake of the Woods Association to Mr. Browning dated January 6, 2006, November 10, 2005, October 13, 2005 and September 29, 2005

A copy of this handout packet is available from DCR.

Ms. Campbell recognized Mr. Buttimer for comment.

Mr. Buttimer said that the Association appreciated the work of the Board in particular with regard to opening up the regulatory process.

He said that the Association is concerned about the prospect of spending \$1.6 million that might not be required at the end of the regulatory process. He said the Association was pleased with the new package and recommended Board action.

Mr. Buttimer said that Association believes the construction of the floodwall is necessary and that they will proceed with that under any circumstances. He said that the proposed timing would allow the Association to see how the regulatory process works out so that the Association is not committing to renovations that may not be necessary.

Mr. Buttimer said that the date of September 1, 2006 was a concern because the work may not be done by that point.

Mr. Maroon suggested it would be helpful for Mr. Browning to review the proposal before the Board heard additional comment.

Mr. Browning reviewed the materials provided to Board members. He said the recommended certificate is a two-year Class I Conditional Operation and Maintenance Certificate. Under the conditions of the Certificate, LOWA is required to:

1. Construct a floodwall at the low area, right of the embankment by February 28, 2007.
2. Modify the dam's existing spillway and install a new water control gate (Obermeyer Hydro Gate) by February 28, 2008.
3. Construct an auxiliary spillway using Roller Compacted Concrete (RCC) on the existing dam by June 30, 2009.

Mr. Maroon noted that concern with the original sequence of construction. He said that the construction of the floodwall was originally considered the third element and not the first. Conversations with LOWA and with Dewberry and Davis have resulted in listing the construction of the floodwall as the first action. He said that following those conversations DCR was comfortable in being able to endorse this recommendation.

Mr. Browning noted that the alternative plan referenced in Section B would require the same construction deadline.

Ms. Campbell recognized Mr. Bailey.

Mr. Bailey echoed Mr. Buttmer's comments with regard to working with DCR and the Division of Dam Safety. He said that the only remaining concern for the Association was the September 1, 2006 date.

He said that if the Board was agreeable to the submission of the plans by February 28, 2007 that the Association could still meet the construction deadline.

Mr. Browning said that staff did not view that as a problem.

Mr. Maroon suggested that it would be helpful if the Association could present preliminary plans by December 1, 2006 with final plans being submitted by February 28, 2007.

Ms. Packard moved that the Board adopt the following motion:

- A. Based on the information from Lake of the Wood's (LOWA) consulting engineer, Dewberry & Davis's bid ready engineering

designs, plans, specifications and Alteration Permit Application transmitted by letter dated September 29, 2005 along with accompanying owners engineering documents and the Financial Plan and Project Completion Schedule transmitted by letter dated October 13, 2005 and LOWA's November 10, 2005 and January 6, 2006 requests to defer construction modifications until the impounding structures regulatory action is complete, the Virginia Soil and Water Conservation Board issues LOWA a two-year Class I Conditional Operation and Maintenance Certificate (03/16/06 – 03/31/08) for its' Lake of the Woods Dam, Inventory Number 13701

Under the conditions of the Certificate, LOWA is required to:

1. Construct a floodwall at the low area, right of the embankment by February 28, 2007.
 2. Modify the dam's existing spillway and install a new water control gate (Obermeyer Hydro Gate) by February 28, 2008.
 3. Construct an auxiliary spillway using Roller Compacted Concrete (RCC) on the existing dam by June 30, 2009.
- B. If the owner determines that an alternate proposal to the submitted Dewberry & Davis design to safely pass the full PMF is preferred, complete engineering design, plans and specifications for that alternate proposal must be submitted to the Division of Dam Safety by February 28, 2007 with a preliminary plans progress report submitted to the Division by December 1, 2006. Any alternative plans shall meet the same construction completion final deadline as the aforementioned Dewberry and Davis plan, that being June 30, 2009. Unless the Board approves such an alternative design, the requirements contained in this motion and associated certificate shall remain in effect.
- C. The Board reiterates its previous finding that Lake of the Woods Dam, Inventory Number 13701 does not meet the existing Dam Safety Impounding Structures Regulations due to spillway deficiencies to pass the spillway design flood. Therefore, the dam owner accepts all life and property risks associated with the dam and holds harmless the Commonwealth of Virginia, the Board, the Department, and agents or employees of the Commonwealth.
- D. Failure to meet any of the conditions to the satisfaction of the Board will constitute a violation of the Conditional Class I, Operation and Maintenance Certificate.

- E. Should the Board or the Director find that changed circumstances justify declaring the impounding structure as an imminent danger to life or property, the dam owner shall be directed to take immediate corrective action regardless of the timetables incorporated into this Certificate.
- F. The Board reserves the right to re-open and re-consider this Certificate prior to its expiration should the dam circumstances change or the adoption of changes to the regulations warrant such reconsideration.

In addition prior to the construction of the floodwall, the Board directs Lake of the Woods Association to seek an alternative permit for the construction of the floodwall by April 16, 2006.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously

Partner Agency Reports

Natural Resources Conservation Service

Ms. Doetzer gave the report for the Natural Resources Conservation Service. A copy is attached as Attachment #4.

Ms. Doetzer said that the Farm Service Agency's (FSA) field offices were implementing a plan called "shared management." Under shared management FSA will be closing operations in a number of offices.

She said that in many cases this would leave only NRCS and the Soil and Water Conservation Districts in many locations. She said that she has continued to encourage Districts to come to the table with their share of the rent and that NRCS would not be able to assume the entire rent burden.

Mr. Hall asked if it would be easier for NRCS to use local engineers on a contract basis.

Ms. Doetzer said that was often the more expensive route and that even if the engineers were outsourced it would require an engineer to oversee the projects.

Mr. Russell asked what Ms. Doetzer thought the Soil and Water Conservation Board could do to help with this situation.

Ms. Doetzer said that the issue would not go away. She noted that her goal was to keep staff a priority over rent. She said that in years past the Board policy outlined \$9,700 for rent, but that most Districts are not paying rent. She said this would have to be reviewed on a case by case basis.

Mr. Frye noted that the Board financial policy provides base funding but does not outline how much each District should pay on rent or other specifics.

Mr. Hall said that each Board member should address this concern with their own area. Ms Campbell said it would be appropriate to address at the Area Meetings.

Mr. Maitland asked for an explanation of PMF (Probable Maximum Flood).

Mr. Robinson said that the probable maximum flood was based on years of rainfall data collected from around the country. The Office of Hydrology developed reports that would indicate peak rainfall.

The table in the Dam Safety regulations is based on information developed in the 1970s. This was recommended by the Federal government as having an adequate safety factor. He said about fourteen states have looked at flood events less than the PMF.

Mr. Robinson said this would be the heart of the discussion over the next six months. The discussions will need to address what risk the state is willing to accept.

Mr. Maitland expressed a concern that upstream or downstream development without the dam owner's knowledge and consent could change the classification and risk factors for the dam.

Department of Forestry

Mr. Foreman presented the report for the Department of Forestry.

The Virginia Stream Alliance, per Executive Order #90, has met for the second time. Over 40 government and non-government staff attended the January 10 meeting. The Alliance has divided its workload into 4 issues/categories: project coordination, technical, permitting, and funding. The most pressing tasks are developing a coordinated web site for project information, creating different permitting requirements

Department of Conservation and Recreation

Mr. Frye gave the report for the Department of Conservation and Recreation. A copy is attached as Attachment #5.

Mr. Hall said that Buchanan County has implemented BMPs on 90% of the county farms. However, he noted that the County is also having the same or greater impact on water quality through the installation of septic systems, but that there was no funding available for that program.

Mr. Frye said that by law the WQIF is targeted primarily to agriculture requirements.

Ms. Doetzer said there might be federal rural development funds for this type of project.

Other Business

There was no additional business.

Public Comment

There was no further public comment.

Future Meetings

The next meeting of the Virginia Soil and Water Conservation Board will be Wednesday May 24, 2006, tentatively in Richmond.

Adjourn

Being no further business the meeting was adjourned.

Respectfully submitted,

Linda S. Campbell
Chair

Joseph H. Maroon
Director

Attachment #1

**Virginia Department of Conservation and Recreation
Legislative Summary
2006 General Assembly Session**

DAM SAFETY

HB 596 Dam and Flood Assistance Fund (Delegates Sherwood and Scott, E.T.)

SB 624 (Senator Bell) Same as House Bill 596 (above)

- Reconstitutes the current Flood Prevention and Protection Assistance Fund into the new Dam Safety, Flood Prevention and Protection Assistance Fund.
- The new fund will be used to make loans and grants to local governments and loans to private entities to finance the cost of implementing projects to prevent, reduce, or mitigate damages caused by flooding, to upgrade dams or impounding structures, and to fund flood prevention studies.
- The Virginia Resources Authority would administer and manage the fund, determining the interest rate and terms and conditions of any loan from the Fund. DCR would make the decision on how the moneys in the Fund would be disbursed. This approach is modeled after the Virginia Resources Authority, the Virginia Water Facilities Revolving Fund, and the Virginia Water Supply Revolving Fund.
- Funds would be further leveraged by the VRA through investments in order to increase the amount of funds available for loans.
- Currently, about \$250,000 per year from a 1% fee on flood insurance premiums NOT associated with the National Flood Insurance Program goes into the Fund. (The legislation as introduced would have transferred existing fees on National Flood Insurance Policies (\$900,000/yr) to further capitalize the fund. This language was removed from the bill.) However, currently the House budget proposal directs a deposit of \$400,000 per year of the biennium to the Fund (Item 358 3h). **PASSED**

HB 597 Dam safety enforcement options. AGENCY BILL (Delegate Sherwood)

- Provides the Virginia Soil and Water Conservation Board and DCR with the enforcement tools needed to ensure the safety of Virginia's dams, and includes due process procedures to protect dam owners.
 - DCR is given the authority to monitor and inspect any alteration or construction of the dam.
 - Imposes Class 3 misdemeanor penalties as well as civil penalties for violations of the Dam Safety Act. The moneys collected from the imposition of civil penalties will be deposited in the Dam Safety, Flood Prevention and Protection Assistance Fund.
- APPROVED BY GOVERNOR (effective 7/1/06)**

SB 596 Relief of the Rainbow Forest Recreation Association. (Senator Bell)

Requests \$186,000 for the Rainbow Forest Recreation Association to make Dam Safety-required corrections to a dam owned by the Association. **FAILED TO ADVANCE**

EROSION CONTROL, STORMWATER, BAY ACT

SB 274 Stormwater management amendments. (Senator Whipple)

- Changes the date in current law by which localities located in "Tidewater" (eastern VA) and those that are classified as an MS4 under the federal Clean Water Act to adopt a local stormwater management program in accordance with a schedule established by the Virginia Soil and Water Conservation Board.
- Under current law these localities are to adopt a program by July 1, 2006. This bill gives required localities between 12 and 18 months to adopt its stormwater program after the effective date of the Board's regulation that establishes local program criteria and delegation procedures.
- Any locality that isn't in Tidewater or classified as an MS4 can choose to administer its own program (seek delegation) within six months following the effective date of the regulation.
- The bill also increases the maximum fine for violation of the provisions of the stormwater law from a civil penalty of \$25,000 to \$32,500. **PASSED BOTH HOUSES**

HB 684 Adequate Channels: Amends E & S Control & Stormwater Mgt Acts

(Delegate Rust)

- Clarifies what are acceptable flow rates from storm runoff at sites where land development projects are occurring.
- Establishes a higher standard for stormwater management than what currently exists. If followed, the land disturbing activities would be exempt from any local requirements for flow rate capacity and velocity for natural or manmade channels.
- DCR worked with the Homebuilders of Virginia (which initiated this bill), the Chesapeake Bay Foundation, local governments and others on this legislation.

APPROVED BY GOVERNOR (effective 7/1/06)

HB1454 Artificial wetlands and stream restoration (Delegate Scott)

- Allows any person who has created and operates an approved wetlands mitigation bank in multiple jurisdictions to annually file erosion and sediment control specifications for wetlands mitigation projects with the Virginia Soil and Water Conservation Board. The Board has 60 days to approve the specifications. If no action is taken within 60 days the specifications are deemed approved. Projects that are not covered by general specifications will have to comply with the local erosion and sediment control program.
- The law shall not take effect unless funding is approved in the budget bill to support the one position requested to support this activity. **PASSED BOTH HOUSES**

HB 14 Silviculture practices; allows local government to regulate for land. (Delegate Cole)

Allows local government to fully regulate silviculture activity for land when the owner, or his agent, submits an application for a rezoning, conditional use permit, special use permit, or preliminary subdivision plan approval to convert from an agricultural or rural to a residential, commercial or industrial use. Currently local governments are limited in the regulation of silviculture practices until after the change in zoning or use occurs. Initiated by Stafford County. **FAILED TO ADVANCE**

HJ 134 Study of Perennial flow determination. (Delegate Shannon)

Requests DCR to study the development and implementation of perennial flow determination required by the Chesapeake Bay Preservation Act regulations.

FAILED TO ADVANCE (DCR agreed to do review without the bill)

NUTRIENT REDUCTIONS, BEST MANAGEMENT PRACTICES

HB 963 BMP Income tax credit for horse farms. (Delegates Bulova and Wittman)

Adds taxpayers who have horses or “equines” that create needs for agricultural BMPs to those who may qualify for the agricultural best management practices tax credit, for taxable years beginning January 1, 2007. **PASSED BOTH HOUSES**

HJ 107 Study of Urban Best Management Practices Cost-Share and Tax Credit Program. (Delegates Bulova, Eisenberg and Wittman)

Requests DCR to study over the next two years whether an Urban Best Management Practices Cost-Share and Tax Credit Program, modeled after the Agricultural Best Management Practices Cost-Share and Tax Credit Program, would be beneficial and an economically efficient method for meeting the nutrient and sediment reduction goals of the Chesapeake Bay Agreement.

FAILED TO ADVANCE (DCR agreed to do study without the bill)

SB 234 Fertilizer labeling. (Senator Ticer and Delegate Sickles)

Requires that specialty fertilizers include a label with directions for proper fertilizer use and precautionary statements to educate users. Specialty fertilizer means a fertilizer distributed for nonfarm use, including home gardens, lawns, shrubbery, flowers, golf courses, and nurseries. **CARRIED OVER TO 2007**

CHESAPEAKE BAY CLEAN UP AND FUNDING

HB 1150 Chesapeake Bay Clean-up Plan. (Delegate Lingamfelter)

As amended, the legislation requires the Secretary of Natural Resources to develop a clean-up plan for the Chesapeake Bay and Virginia waters that have been designated as impaired. The plan will include measurable objectives, a description of the strategies to meet the plan's objectives, time frames for accomplishing the objectives, and a plan for disbursing funds for point and nonpoint pollution projects. The plan will also include an

analysis of alternative funding mechanisms. The Secretary is to submit the plan by January 1, 2007, and is to submit a progress report on the clean up semi-annually.

PASSED BOTH HOUSES

SB 413 Recordation tax; collection to be transferred to Water Quality Improvement Fund. (Senator Hanger)

Provides that \$100 million of recordation taxes collected each year shall be transferred to the Virginia Water Quality Improvement Fund. **CONTINUED TO 2007**

SB 626 Taxes and fees for the Virginia Water Quality Improvement Fund. (Senator Quayle)

Establishes a \$1 per day lodging fee on the sale of hotel, motel, and similar rooms and provides that such revenues plus \$40 million annually in recordation tax revenues shall be deposited into the Virginia Water Quality Improvement Fund for funding of water quality. **CONTINUED TO 2007**

LAND PRESERVATION INCOME TAX CREDIT

None of the related tax credit bills (HB449, HB450, HB533, SB93, and SB403) passed this Session.

Consequently, the existing land preservation tax credit program remains the same. However, it is still possible that this matter will be resolved in the on-going budget talks between the House and Senate during the Special Session.

A Joint House and Senate Conference Committee failed to reach agreement between the primary House proposal (HB450 – Delegate Lee Ware) and the primary Senate proposal (SB93 – Senator Watkins). Major differences focused on the following key issues:

- 1) Whether and at what level to place a cap on the overall land tax credits allowed per year.

Currently: Dept. of Taxation assumes \$75 M will be used/yr.

House Position: Prefers no cap or cap of over \$100 M.

Senate Position: \$40 M.

Conferees: Discussed \$75 M plus CPI but no agreement reached.

- 2) Caps on individual transactions

Currently: 50% of fair market value; personal use limited to \$600,000; no limit on sale of unused tax credits.

House Position: the lesser of \$2.5 M or 50% of fair market value in 2006; reduced the percentage to 40% for taxable year 2007. Willing to allow \$2.5 M to be exceeded up to 40% of the fair market value if the property meets exceptional benefits criteria established by DCR.

Senate Position: Differentiates between Bay and Southern Rivers. Would set 50% of fair market value in Bay Watershed reducing to 35% on or after July 1, 2007 and in areas outside of the Bay the tax credit allowed would be lesser of \$600,000 or 50% of fair market value reducing the percentage to 35% on or after July 1, 2007

Conferees: Discussed increasing the \$600,000 to \$750,000 outside the watershed and possibly reducing fair market value to 40%.

3) Tax credit program oversight/ administration.

Currently: Department of Taxation oversees the program.

House Position: Department of Taxation and a required engineer review for certain qualified appraisals.

Senate Position: Department of Conservation and Recreation would take much larger role. DCR with the assistance of the Soil and Water Conservation Districts would review and annually certify agricultural best management practices on qualified properties in the Bay watershed where the tax credit is in excess of \$2.5 M. Other Senate versions had DCR essentially responsible for running the program with some assistance from Department of Taxation.

Conferees: No agreement.

4) Availability of tax credits for structures

Currently and House Position: Easements on historic buildings would be allowed if the building is listed on the Virginia Landmarks Register.

Senate Position: Eliminates historic buildings and structures as qualifying donations.

Conferees: Discussed allowing "no more than 25% of the appraised value" from the value of on-site buildings.

ADDITIONAL LAND CONSERVATION

SB 238 Land Conservation Fund; adds separate allocation for agriculture and forestry. (Senator Ticer and Delegate Hull)

Specifies that 75% of the Virginia Land Conservation Foundation's unrestricted funds are to be allocated equally to the following five uses: (i) natural area protection, (ii) open spaces and parks, (iii) farmlands preservation, (iv) forest preservation, and (v) historic preservation. Currently, 75% of the unrestricted funds are allocated for four uses, with farmlands and forest preservation combined as one use. **FAILED TO ADVANCE**

SB 243 Vehicle registration fees; additional fee to support the Virginia Land Conservation Fund. (Senator Ticer)

Continues a \$ 1 per year fee on motor vehicle registrations set to expire on January 1, 2008, and assigns the proceeds to be used to support the Virginia Land Conservation Fund. **CONTINUED TO 2007**

BIOSOLIDS

HB 688 Land application of sewage sludge. (Delegates Abbitt, Byron, Hogan: Senator Quayle)

Prohibits the land application of sewage sludge beginning January 1, 2007, unless the sewage sludge is applied in the same locality in which it is generated. The departments that have oversight of the spreading of sewage sludge, the Health Department and the Department of Environmental Quality, are required to certify that the sewage sludge is being applied in a manner that protects human health and the environment, and the DCR is to certify that the nutrient management plan for applying the sewage sludge protects water quality. **FAILED TO ADVANCE**

HB 690 Sewage sludge (Delegates Abbitt, Byron and Cline: Senator Quayle)

Prohibits sewage sludge from being stored at site where it is being land applied for more than three days prior to application. **FAILED TO ADVANCE**

HJ 101 Study of the impact of biosolids on water quality. (Delegate Byron, Abbitt, Barlow, Cline and Hogan)

Requests the DCR and DEQ to study the impact of the land application of biosolids on the quality of Virginia's waters. **FAILED TO ADVANCE**

**Virginia Department of Conservation and Recreation
Summary of Budget Actions Proposed by House and Senate Budgets
2006 General Assembly Session**

NOTE: This document reflects proposed House and Senate changes to the Governor's Introduced Budget. Proposed changes noted below in italics. The 2006 Session finished without completing work on the budget. Governor Kaine has called the General Assembly back into Special Session later this month. Until their work is completed, state agency budgets are not final.

CHANGES PROPOSED TO DCR OPERATING BUDGET FOR FY 2006 - 08

Nonpoint Service Delivery for Soil and Water Conservation Districts- \$500,000 annually was proposed in Governor's Introduced Budget for Districts to provide assistance in implementing the increasing agricultural nonpoint source control activities required to meet state water quality goals. No funding was proposed for DCR. Funding for nonpoint service delivery for DCR and districts is a critical need if nonpoint programs are to be fully and effectively implemented.

Senate: *Adds language to allow DCR to use up to \$ 1 million annually from the WQIF for 15FTE to carry out nonpoint implementation activities including Bay and TMDL related efforts. Funding for the positions is to come from the interest earned on the WQIF and from the principal as necessary in any given year. Also includes total of \$3 million more (\$1.5 million/yr) in GF for soil and water conservation districts' nonpoint service delivery efforts. Also appears to be an additional \$1 million (\$500,000/yr) in NGF proposed. In addition, includes \$400,000 for DCR to contract with private sector for nutrient management plans to be written for half of the state's regulated livestock and poultry operations.*

House: *No change to original.*

State Park Operations and Staffing Needs - \$3,200,000 (\$1,600,000 GF each year) and 21 new positions was proposed in Governor's Introduced Budget to support the expanded operations of parks with bond construction projects that will be completed within the upcoming biennium.

Senate: *Adds \$2,000,000 (\$1,000,000 GF each year) and no FTE. If the Senate prevails, DCR would hope that FTEs would be added to enable us to use the additional funds to continue the rebenchmarking of state park staff that began last year.*

House: *No change to original.*

Funding Assistance for Dam Safety Loans and Grants

Senate: *No proposal in Senate although a bill by Senator Bell addresses the same need.*

House: *Provides \$400,000 each year to further capitalize the Dam Safety Flood Prevention and Protection Assistance Fund to provide loans and grants for dam repairs,*

inundation zone mapping and flood protection projects. Delegate Sherwood is the sponsor of related legislation and this amendment request.

Captain John Smith Water Trail - \$140,000 in FY 2007 was proposed in Governor's Introduced Budget to provide for signage and expenses associated with the completion of the James River and York River segments of the Trail and \$25,000 for Virginia's contribution towards the feasibility Study for designating the entire Bay as a National Water Trail. This is an initiative of Governor Warner's Natural Resources Partnership Agenda.

Senate: *Cut all funds*

House: *Cut all funds*

Wetland Restoration Erosion Review

Senate: *No action*

House: *Provides \$75,000 each year and 1 FTE to DCR for Wetland Restoration Erosion Review. Related to HB 1454.*

Southside Rails to Trails Initiative – The Introduced Budget included \$950,000 in FY 2007 for acquisition of the next segment (approximately 140 miles) of the Tobacco Heritage Trail. This is part of Governor Warner's Virginia Works Initiative.

Senate: *Cuts funds by 50%*

House: *Cuts all funding*

Grand Caverns State Park language

Senate: *Includes language authorizing DCR to acquire this facility for a new state park.*

House: *Same as Senate language*

Breaks Interstate Park

Senate: *No Action*

House: *Provides \$150,000 to replace a well.*

Rappahannock River Basin Commission

Senate: *\$10,000 in the biennium (\$5000 each year)*

House: *Biennium funding of \$30,000 GF and \$30,000 NGF.*

NO CHANGES WERE MADE TO THE FOLLOWING ITEMS IN THE INTRODUCED BUDGET:

Water Quality Improvement Fund - \$39,608,800 GF to be deposited into the fund during FY 2006 to provide matching grants for controlling nonpoint source pollution resulting from agricultural activities and development. This funding is from Virginia's mandatory deposit of \$56.6 million from the budget surplus, 70 % of which will be used to reduce nonpoint source pollution because the Governor made a separate deposit into the Fund. The expectation is that these funds will be spent in FY 2007 and beyond. Of the total amount deposited, \$5,712,250 shall be held in the reserve account for the Virginia Water Quality Improvement Fund for use in later years.

***Stormwater Management Program** - \$300,000 GF to cover the anticipated revenue shortfall in FY 2007. This will cover the shortfall for one year while DCR reviews the permit fees associated with the program.*

Virginia Land Conservation Fund – The \$2.5 million annual deposit to the Virginia Land Conservation Fund remains in DCR's base budget for each year of the upcoming biennium. A language amendment effective January 2008 has been included to direct the \$6 million currently being deposited into the Virginia 400th Anniversary Fund to be utilized by DMV for computer upgrades. Any collections in excess above this \$6 million would continue to be deposited into the Virginia Land Conservation Fund. (Last year, that amounted to around \$ 350,000.)

Dam Repairs for dams located in State Parks – Continuation of the \$650,000 per year for priority projects identified previously by DCR that constitute a safety threat if the dam fails. The State Parks' dam infrastructure is aging and has been stressed by recent storms such as Gaston.

STARS – There will be language in the Public Safety Secretariat authorizing the sale of bonds to provide for funding the state's new emergency communications network. It is unclear at this time how DCR's needs will be addressed.

CHANGES PROPOSED TO DCR CAPITAL BUDGET

State Park Construction Support - \$20,370,000 GF for new supplemental funding was proposed in Governor's Introduced Budget to complete General Obligation Bond construction projects as follows:

- Shenandoah River Cabins & Campground - \$7,054,000
- Natural Tunnel Cabins, Campground, and Bathhouse - \$6,133,000
- Occaneechee Cabins - \$4,550,000
- Bear Creek River Cabins - \$2,633,000

Senate: *Senate cuts all \$ 20.3 million.*

House: *Moves this funding to VPBA bonds.*

New State Park Development

Senate: *No Action*

House: *Includes \$1 million – House sources indicate it is for new High Bridge Trail State Park development.*

Maintenance Reserve

Senate: *Proposes \$50 million to be used for a pilot initiative involving six agencies not yet identified. Not certain if this will affect DCR.*

House: *Provides additional \$150 million to be allocated between various state agencies.*

Attachment #2

Adopted May 20, 1999

Amended by Board Action March 17, 2005

Virginia Soil & Water Conservation Board (Board) Policy

Title: Financial Assistance for Soil & Water Conservation Districts (SWCD/districts)

Purpose:

To make funding available to support the essential operating costs of every soil and water conservation district (district) as authorized by Title 10.1 of the Code of Virginia.

To provide additional funding to districts that support the Commonwealth's conservation and water quality improvement initiatives.

To encourage districts to speak in a unified voice on SWCD funding requests.

I “Essential” Financial Assistance Available to Districts:

- 1) Definition of Essential Operating Support: The Commonwealth's financial support to districts provides for the essential needs of every district in order to maintain district existence for delivery of state mandates. The components of essential support needs of every district are:
 - a) The business expenses of the district board of directors.
 - b) The existence of an office and support equipment that are necessary to perform the essential functions of the district.
 - c) Administrative and technical capabilities to perform state mandates.
- 2) Every district approved by the Board is eligible to receive an annual grant to support essential operating expenses. Based upon the above components that comprise essential support needs of every district, the Board shall establish a list of reasonable cost estimates for all essential components and incorporate the list as Attachment A to this policy. Authorized funding will normally be rounded to the nearest thousand dollars (excluding the additional district director travel and training allowance). Prior to June 1st each year, the Board shall review the attachment and determine if modifications are necessary.

II Financial Support to Address Water Quality Priorities of the Commonwealth:

- 1) Districts are eligible to receive additional financial assistance to support water quality improvement goals of the Commonwealth. The Board shall utilize a system for estimating nonpoint (NPS) source pollution contributions to state

waters on a district by district basis. Funds that remain after essential support needs of districts have been fulfilled, will be made available to address NPS pollution problems on a proportional basis.

Adopted May 20, 1999

Amended by Board Action March 17, 2005

Virginia Soil & Water Conservation Board (Board) Policy

Title: Financial Assistance for Soil & Water Conservation Districts (districts)

III Additional Funding Provisions:

- 1) The Board may annually dedicate a portion of funding under its control to provide additional funding to all, or specific districts, to ensure equitable and fair distribution of funds and treatment of districts.
- 2) Districts may apply for loans to purchase conservation equipment. Funds may be made available from the revolving fund to purchase machinery and equipment for engineering and other operations. The Board will determine the interest rate and term of repayment which unless otherwise stated, will be 6% with an annual repayment schedule for a loan duration of two years.

IV Grant Agreements and Accountability:

- 1) A grant agreement will be established between DCR and each district receiving financial assistance through this policy, prior to the beginning of a fiscal year, for operational support funds. DCR staff will define the expected outcomes or “deliverables” for district funding for review and approval by the Board annually, and prior to June 1st.
- 2) Deliverables will be based on the Commonwealth’s conservation and water quality priorities and resolved between DCR staff and affected districts.

V Unexpended State Funds Maintained by Districts:

- 1) Operational support funds issued to districts that remain unexpended at the close of the grant period will remain in the district account (s).
- 2) Targeted funds will normally be issued through a reimbursement basis. Unexpended funds will revert to DCR and may be applied to a future targeted grant agreement.

- 3) It is unadvisable for any public entity to accumulate more than about six months of undedicated reserve funds. Public funds from local, state and federal sources are provided to districts not for savings, but for performance of conservation. DCR will monitor the growth of unexpended funds through audit reports, and report situations of concern to the Board. The Board may reduce future funding to districts that fail to act upon guidance and recommendations from auditors and DCR staff. Decisions and Board actions will be addressed on a case-by-case basis.

Adopted May 20, 1999

Amended by Board Action March 17, 2005

Virginia Soil & Water Conservation Board (Board) Policy

Title: Financial Assistance for Soil & Water Conservation Districts (districts)

VI DCR Support of Districts on behalf of the Board:

- 1) DCR staff are responsible for developing procedures to include submission and reporting deadlines, and supporting materials that are necessary for implementation of this policy.
- 2) DCR support of districts as authorized by section 10.1-502 through 505., and 10.1-506. through 559. of the Code of Virginia, will include provisions for: 1) liability coverage; 2) audits; 3) bonding for employees and officers that are entrusted with funds; 4) placement of newspaper notices for district director elections; and, 5) statewide training initiatives that enhance skills and capabilities of district directors and staff. DCR will apprise the Board of costs associated with these services for the Board's consideration with the overall financial resources available to districts.

VII Noncompliance with this policy:

In the event any district fails to comply with provisions of this policy, the Board reserves the right to instruct DCR staff to delay, or permanently withhold funding that otherwise would be made available to the affected district(s). The Board further reserves the right to require repayment of previously issued funds and/or direct further appropriate actions based upon noncompliance circumstances. Should an issue arise which impacts funding, the affected district(s) will be apprised of the issue(s) and provided an opportunity to address the concerns of the Board prior to Board action.

VIII Criteria for Financial Assistance:

- 1) Funding granted to districts is contingent upon appropriations by the General Assembly. In the event districts experience a statewide reduction in funding from the Commonwealth, the Board will generally address the shortfall as follows (but reserves the right to deviate from these options):
 - a) When a reduction of funds occurs during the course of a fiscal year, every district will receive an equal percent reduction which will be calculated and deducted from each district's total approved operational funding

specified within the DCR/SWCD grant agreement for the applicable fiscal year.

Adopted May 20, 1999

Amended by Board Action March 17, 2005

Virginia Soil & Water Conservation Board (Board) Policy

Title: Financial Assistance for Soil & Water Conservation Districts (districts)

- b) When a reduction of funds is necessary prior to the start of a fiscal year, the Board will strive to fulfill the Essential Operating Support (see item *I* of this Policy) to the maximum extent possible. Any remaining funds once the essential support is fully satisfied will be dedicated to SWCD director travel and training. Should funds remain once these items have been fully satisfied, the Board will follow item *II Financial Support to Address Water Quality Priorities of the Commonwealth* (of this Policy) to distribute a proportional share of the remaining balance of district funding to every SWCD.
- 2) In the event a new district is formed or an existing district expands its boundaries, the Board will examine the total financial resources under its control and its priorities for use of these funds and adhere to its Policy entitled Financial Commitments For Establishment of A New Soil & Water Conservation District (SWCD/district), or Realignment of an Existing District on all funding decisions in this Policy. The newly created or expanded district may be funded at a reduced level, or may be required to share funding in an arrangement determined by the Board until sufficient funding is made available to fulfill provisions of this policy and priorities of the Board.
- 3) Expenditure of district funds, regardless of source, will be made without regard to any person's race, color, religion, sex, age, national origin, handicap, or political affiliation.
- 4) All funds received by districts are public funds and provision of the Freedom of Information Act apply to financial records. Each district shall safeguard, provide accountability and expend funds only for approved purposes.

(BPol17March05.doc)

ATTACHMENT A ***(VSWCB Policy for SWCD Financial Assistance)***

Essential SWCD Components and Annual Cost Estimates

Essential Components	Approach	Est. Cost/year
Tech. FTE Salary	Use Commonwealth of Va Pay Scale This amount is within Pay Band 3 of the Commonwealth of Virginia's Salary Structure system	\$26,369
Tech. FTE Fringe	.25 times salary	\$6,592
Tech. FTE Training, Travel, Support	Training allowance@ estimated at \$500/year Travel est. by 15,000 miles times 32 cents/mile (\$4,800) Support (misc. field equipment, etc....) \$450/year	\$5,750
Secretary FTE Salary	Use Commonwealth of Va Pay Scale This amount is within Pay Band 2 of the Commonwealth of Virginia's Salary Structure system	\$18,464
Secretary FTE Fringe	.25 times salary	\$4,616
Secretary FTE Training Travel	Training allowance@ estimated at \$250/year Travel est. by 3,000 miles times 32 cents/mile (\$960)	\$1,210
Office Rent	Justifiable space (using Com. of Va. system) for 2 employees & conf. room --750 square feet. Average estimated cost per square foot per year: \$13/square ft. (includes utilities)	\$9,750
Office Support expenses,	Includes information systems (phones/ Internet \$1,800/year), postage (\$1,000/year), office supplies (\$500/year), misc. expenses (\$300/year)	\$3,600
Office Equipment replacement	Annual allowance@ for furniture, copier, fax, computers, and misc. office appurtenances	\$1,500
Total Costs	Amounts represent budgeted calculations for core@ expenses	\$77,851
	<i>TOTAL COSTS APPROVED:</i>	<i>\$78,000*</i>
<u>PLUS</u> District Director Travel/Training	Average annual allowance of <u>\$500 per director</u> for travel expense reimbursement and training allowance.	\$2,500 to \$6,000 per SWCD

(VSWCB Adopted 5/20/99)

(Continued in effect by the VSWCB at their 3/17/05 meeting)

Attachment #3

DCR/SWCD Grant Agreement No. «AgreementN»

ATTACH
MENT A

**Soil & Water Conservation District (district)
FY 200~~5~~⁶– 200~~6~~⁷ Performance “Deliverables”**
For Acceptance of DCR Funds to Carry Out This Agreement
and for Operating Expenses to the Extent That Funding Permits

- Administer and provide technical assistance with nonpoint source pollution reduction efforts including support and/or implementation of the following:
 - The Virginia Agricultural BMP Cost-Share program
 - The Virginia Agricultural BMPs Tax Credit Program
 - Virginia Water Quality Improvement Act
 - Conservation Reserve Enhancement Program
 - Voluntary BMP installation by property owners/managers
 - TMDL (Total Maximum Daily Load) development processes**
 - Agricultural Stewardship Act
 - BMP Revolving Loan Program
 - Small Business Environmental Assistance Fund Loan Program
- ~~For Chesapeake Bay districts: Encourage~~ Wherever applicable, actively participate in the local development and implementation of: ~~Chesapeake Bay 2000 commitments through participation in:~~
 - Tributary Strategies
 - Small Watershed Management plan development
 - Sound land use planning approaches
 - Environmental Education programs
 - Chesapeake 2000 Agreement goals
- Deliver local natural resource conservation programs with consideration to resource needs and issues affecting watersheds within the district, and watersheds that flow beyond the district boundaries.
- Support and foster partnerships with agencies, organizations, councils, roundtables and others to protect soil resources, to improve water quality and further natural resource conservation.
- Hold monthly meetings with a quorum of district board members present.
- Develop and maintain a longer term plan that enhances district capabilities, on a 4 year cycle consistent with the election cycle of district directors, through a facilitated process with participation by district stakeholders. Review of the plan is expected at least annually during a scheduled meeting of the district board. Plans should include watershed priorities.
- Prepare and follow an annual plan of work that connects to the district’s longer term plan.
- Submit meeting minutes from all routine and special meetings of the district board and a copy of district publications (including an annual plan of work, an annual report, the longer term 4 year plan) to the district’s assigned Conservation District Coordinator (CDC).

REVISED: 9/20/2006 10:30:27 AM

- Submit quarterly financial reports to request funding drawdowns from DCR to the district's assigned CDC.
- Maintain employee position descriptions, performance expectations and the district personnel policy; conduct timely employee evaluations. Provide the district's assigned CDC with a copy of employee position descriptions and the district personnel policy once updated documents are resolved.
- Provide data, and other information needed for preparation of legislated studies and reports that pertain to programs and services delivered by SWCDs, as requested by DCR to support nonpoint source pollution reduction initiatives that improve water quality.
- Ensure staff implementing the Virginia Agricultural BMP Cost-Share Program, and other agricultural related programs, seek and maintain needed conservation planning certification and job approval authority for appropriate BMPs within the service area of the district.
- ~~Provide data and other information needed for preparation of legislated studies and reports that pertain to programs and services delivered by SWCDs.~~ Complete and submit an annual report in a format provided by DCR, reflecting local farmer participation in the agricultural programs and services implemented by the district.
- In the interest of local community public health, safety and water quality, assist DCR by notifying DCR of any dams that the district may have identified that could threaten life or property and dams that were formerly non-regulated prior to the July 1, 2002 change in the Code of Virginia which pertains to the definition of impounding structures.

Adopted by the Virginia Soil and Water Conservation Board
(date)

Continued without change
2005

May 26, 2004

March 17,

Attachment #4

**NRCS Report
Virginia Soil & Water Conservation Board Meeting
March 16, 2006
Charlottesville, Virginia**

WATER QUALITY

Watershed Operations

Buena Vista – Construction has been completed on the first phase of flood control work for the City of Buena Vista. NRCS installed two debris basins on the Chalk Mine Run and Washer Hollow subwatersheds. The debris basins will catch cobble and woody debris, and reduce the volume of material migrating through the system during flood events. The final costs of the debris basins have not been tallied yet but the original contract was awarded for \$423,547. The federal share is 100% for the construction.

NRCS received \$1,138,600 in FY-06 in financial assistance funds that are earmarked for Buena Vista. NRCS is currently designing the channel improvements on Chalk Mine Run. We are also working with the City of Buena Vista on a request for proposals for the design and construction of two bridges on Chalk Mine Run. These earmark funds will be used to construct all or part of these phases on the watershed project.

Bush River Watershed – The Bush River Watershed in Prince Edward County will be closed out in 2006. The Piedmont SWCD and Prince Edward County have taken actions to close out the project. The Virginia Department of Game and Inland Fisheries and NRCS will take action soon. Five single purpose, and two multipurpose structures have been completed. One site that was not completed will be deleted from the planned works of improvement in the final close-out supplement. The local sponsors are planning a close-out ceremony in April to celebrate the accomplishments in this watershed.

Review and Update of the Backlog of Watershed Projects – NRCS has been requested to review all active watershed projects by June 2, 2006 to determine if the projects should be listed as “Active” or “Inactive,” or if they should be closed out. This information will be used to update the national database for all projects. This database information is used to keep Congress informed of the unfounded federal commitment for watershed projects. Active watershed projects that will be reviewed and updated in Virginia are:

1. Lick Creek in Russell and Wise Counties
2. Watkins Branch in Buchanan County
3. Cedar Run in Fauquier County
4. Ararat River in Patrick County
5. South River in Augusta County
6. Lower North River in Augusta and Rockingham County

Watershed Planning

NRCS funding was received for watershed planning assistance in the North Fork of the Powell River Watershed in Lee County. This watershed has several impaired streams due to runoff from acid mines and steep, critically eroding areas. The sponsors are the Daniel Boone SWCD, Lee County and the Virginia Department of Mines, Minerals and Energy. A draft plan will be developed in this watershed in FY-06.

NRCS Report, March 16, 2006

Planning requests are currently being developed in the following watersheds:

- Gross Creek Watershed in Farmville, Virginia – sponsored by the Piedmont SWCD and the Town of Farmville. They have a flooding problem with a small stream that flows through the interior portion of Farmville.
- Town of Glasgow in Rockbridge County, Virginia – sponsored by the Glasgow Town Council and the Natural Bridge SWCD. They have a flooding problem with several small streams that flow through Glasgow.

Dam Rehabilitation

South River – The South River Dam Rehabilitation Plan for three Headwaters SWCD dams (South River Sites 23, 25 and 26) was authorized by NRCS Chief Bruce Knight on December 6, 2005. This plan includes the installation of articulated concrete blocks to armor the spillways and a parapet wall to raise the height of the dams by 4-5 feet each. Funding for the design and rehabilitation of one dam (Site 23, Robinson Hollow) was included in the NRCS appropriation for 2006. NRCS has hired a new project engineer for this project. NRCS has also obtained design assistance from the Ohio design team. A design and contract package will be completed for Site 23 by June 1, 2006 and a construction contract awarded by September 30, 2006. The construction is expected to begin in March 2007. The sponsors are working to secure needed land rights and permits for the project.

Pohick Creek – NRCS is actively planning for the rehabilitation of Pohick Creek Watershed Dam No. 4, Royal Lake, in Fairfax County. The project sponsors are the Northern Virginia SWCD and Fairfax County. The final plan for the rehabilitation of this dam should be completed by June 2006. There are a total of four Pohick Creek Dams needing rehabilitation.

Stony Creek – NRCS has received an Application For Federal Assistance for dam rehabilitation on Stony Creek Site 9, Lake Laura, in Shenandoah County. The project sponsors are Lord Fairfax SWCD and Shenandoah County. The application is currently being evaluated.

Emergency Watershed Protection (EWP) Program

NRCS has completed all EWP work in Virginia except for one site on the German River in Rockingham County. This site has been designed, the landrights are being obtained, and the permit application has been submitted. The project is being implemented through a locally led contract by Rockingham County. The project must be completed by June 1, 2006 or risk the loss of funding. NRCS is paying 75% of the project cost.

FARM BILL PROGRMS

Financial Incentive Programs

Sign up has just been completed on the Environmental Quality Incentives Program (EQIP) and Wildlife Habitat Incentives Program (WHIP). This sign up ran from October 1 to January 13. Staff has evaluated all of the applications and approvals have been made. Applications for EQIP exceeded \$20.5 million for the \$11.7 million of available funding. A performance efficiency bonus of an additional \$1.3 million of funding is expected within the next several weeks. Applications for the WHIP program exceeded \$600,000 for the available \$410,000 of financial assistance. Priorities for this funding included improving habitat for species of concern. *NRCS Report, March 16, 2006*

Approvals were also issued for an application of long lead pine habitat in southeast Virginia and a dam removal in Franklin County.

Easement Programs:

Easements are being developed and closed on approximately 15 farm tracts under the Farm and Ranch Land Protection Program (FRPP), Grassland Reserve Program (GRP) and Wetlands Reserve Program (WRP). All of these tracts were approved with FY 2005 funding. A large number of these are being completed under an existing appraisal system of federal acquisitions. Approximately five new applications for WRP have been received. An Announcement of Program Funding (APF) will be issued soon for the FRPP program for FY 2006. there will be no additional sign up this year for the GRP.

Stewardship Programs

Sign up is currently underway in the North Fork Shenandoah River watershed for the Conservation Security Program (CSP). This program establishes payments to farmers to maintain existing high levels of conservation treatment to their land and provides incentives to enhance existing conservation benefits.

Grant Programs

NRCS currently has Announcements of Program Funding (APF) out for four separate grant opportunities. They are as follows:

- Conservation Innovation Grants (CIG)
- Cooperative Conservation Partnership Initiative (CCPI)
- Invasive Species
- Wetland Reserve Enhancement Program (WREP)

Details can be found on the NRCS national website.

NRCS STAFFING

Gerald Wright, new Civil Engineer in Verona, effective February 5, 2006
Yamika Stokes, new District Conservationist in Courtland, effective February 19, 2006
Rosie Diaz, new Human Resources Manager, Richmond State Office, effective February 19, 2006
Stacia Childers, new secretary in Accomac (Eastern Shore RC&D), effective March 5, 2006

Status of Vacancies

Soil Con Tech (part-time) in Accomac – Vacancy announcement closed – No selection made.
Civil Engineer Tech in Verona – To be advertised.
Financial Assistant, Richmond – Vacancy announcement closed February 27, 2006
Soil Scientist, Smithfield – Closed March 13, 2006

Attachment #5

Virginia Soil and Water Conservation Board
March 2006 meeting
Department of Forestry report

- The Virginia Stream Alliance, per Executive Order #90, has met for the second time. Over 40 government and non-government staff attended the January 10 meeting. The Alliance has divided its workload into 4 issues/categories; project coordination, technical, permitting, and funding. The most pressing tasks are developing a coordinated web site for project information, creating different permitting requirements for voluntary versus mitigated restoration, and increasing the technical capability of Virginia staff to complete stream restoration projects. The next meeting is scheduled for March 16.
- The Department has finalized its portion of the Water Quality Improvement Fund grant process. We will be focusing on impacted watersheds and streams with cost-sharing for logging BMP's for stream crossings as well as other riparian practices such as rain gardens and non-CREP forest buffers. The enrollment is ongoing.
- The Department's Silvicultural Water Quality Program will be assisting in the upcoming Logger's Expo in May at the State Fairgrounds. We will be constructing a give-away timber bridge (charity raffle) during the Expo. In other matters regarding law enforcement, to date since 1992, there have been over 3000 enforcement actions of different types with \$1.1 million dollars of penalty assessed. Nearly \$300,000 has been collected. Furthermore, there have been 141 Emergency Orders over a 13-year period.
- The Department has developed a "Rain Garden" Technical Guide and brochure. This BMP has become very popular for storm water mitigation and serves as a vegetative solution versus impoundment. Please contact us with any publication requests.
- The forest fire situation is considered moderate although quickly becoming worse. Cumulative forest fires since January 1, 2006 total 4777 fires consuming 2,466 acres. Twenty-nine of the total 2,466 occurred over the weekend.
- The Department has developed a riparian buffer survey for our own field staff. We want to look at any obstacles to implementation. The survey is due back at the first of April and we will report to the Board at the next meeting.
- The Department is a sponsoring organization for the upcoming Environment Virginia conference. We are hosting a concurrent session on Natural Capital: Valuing Virginia Forests as well as providing a session on the State of the Forests in the Chesapeake Bay. This report is being developed in conjunction with the Conservation Fund.

Attachment #6

Department of Conservation and Recreation
Report to the Virginia Soil & Water Conservation Board
March 16, 2006

1. DCR/SWCD Operational Funding:

All 47 SWCDs have endorsed grant agreements with DCR for Operational funding this fiscal year and all 2nd quarter disbursements have been made.

This fiscal year (FY06), operational funding for all districts totals \$4,052,240. The total amount is the same as FY05 operational funding, however, FY06 funding is still roughly 6% less than the peak funding level experienced by districts in FY01 (\$4,301,000).

2. SWCD Audit Services:

The accounting firm of Robinson, Farmer, Cox Associates (RFCA) has completed SWCD audits for the audit period that ended June 30, 2005. Twenty-five (25) SWCDs were audited. Audit reports and overall findings will be provided to SWCDs within the next few weeks.

3. SWCD Bonding Coverage:

This fiscal year is the first year of a 2-year contract for a surety bond policy for all SWCDs. The new contract raises the deductible from \$5,000 to \$10,000 per claim, with an annual premium (paid by DCR) of nearly \$20,000 (twice previous rate). Information pertaining to these new arrangements was issued to all SWCDs through correspondence from Jack Frye sent August 29, 2005. An updated "Desk Top Guide for District Fiscal Operations" incorporates certain criteria SWCDs must fulfill in order to satisfy requirements of the insurance provider that carries the SWCD surety bond policy. Revisions to the Desk Top Guide are being prepared and the revised document will be in district hands this calendar year.

4. Employee Development

The conservation partners continue to work through the "JED" –Joint Employee Development system which relies on 4 regional teams (coordinated through a separate state level JED team) to address training and development of SWCD and other partner agency field staff. The next state level JED team meeting is scheduled April 7, 2006 at the DOF state headquarters in Charlottesville.

The need to effectively collaborate among conservation partners is expected to be especially important in coming months, as monies the General Assembly may appropriate should enable employment of additional SWCD technical staff for implementation of agricultural BMPs. Training plans for newly employed staff will be critical to rapidly advancing the "KSAs" (knowledge, skills and abilities) they will need to effectively perform their work activities.

5. SWCD Dams:

The SWCD dam owner work group continues to meet and work on specific dam issues among districts. The last meeting was held January 31, 2006 the next meeting is scheduled March 31, 2006 in Charlottesville at the DOF state headquarters in Charlottesville. The focus of that

discussion will pertain to mapping breach inundation areas that would be impacted by dam failures and working with localities to restrict future placement of homes and businesses in high hazard locations.

6. Agricultural BMP Cost-Share Program:

As the current program year progresses, discussion continues about possible program changes that may be implemented in the program year that will begin this July 1st. Program emphasis will be placed on advancing farmer implementation and use of 5 agricultural conservation priorities. Those priorities are (in no particular order): livestock exclusion from state waters; vegetative riparian buffers; implementation of nutrient management plans; plantings of cover crops; and continuous no-till. BMP options will likely include new opportunities for financial incentives that achieve annual and multi-year commitments from participating farmers. DCR's Agricultural BMP Cost-Share Program Advisory Committee is a critical group that is helping shape future program directions. Two conference calls of the full committee and meetings of two subcommittees will occur in advance of the next scheduled meeting of the group on April 6, 2006.

7. Conservation Reserve Enhancement Program (CREP):

USDA CREP program guidance has been modified to allow the enrollment of sinkholes and karst areas in the CP-22 (riparian forest buffer) practice. This guidance enables further expansion of CREP protection and encourages buffering of potential ground water contamination sites that can now enhance protection of drinking water sources. Also, DCR continues to explore changes in the incentive rates above the existing cap of \$200/acre as part of a comprehensive effort to increase the rate of CREP enrollment. The Southern Rivers CREP is experiencing brisk participation towards the additional 5,000 acres of expanded program enrollment, while the Chesapeake Bay CREP enrollment has slowed.

8. Stormwater Management:

DCR staff has issued coverage under the General Permit for Stormwater Discharges from Construction Activities for 1,490 projects during the period from July 1 - March 9, 2006. The cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth and Virginia Beach have submitted applications for reissuance of their MS4 Individual Permits and staff is working with the localities to move forward with the permitting process. The goal for permit issuance is July 1, 2006.

9. Nutrient Management:

DCR continues to meet with the VA Poultry Federation, poultry integrators, NRCS and others to consider available incentives for moving poultry litter to soils needing phosphorus to meet crop needs. Transport of litter out of the Bay watershed is being evaluated for determination as a nutrient reduction activity under tributary strategies. Federal grants are being sought to enhance the transport program already available under the NRCS EQIP program.

10. WOIF- Cooperative Nonpoint Source Programs & Water Quality Initiatives

The "Request for Proposals" for Water Quality Improvement Fund grants was issued October 14, 2005. A total of 102 proposals for funding were received the deadline of December 15, 2005, requesting over \$10 million in grant funds. DCR has earmarked approximately \$1.7 million in

WQIF funding for water quality initiatives and \$3 million for cooperative NPS projects with local governments. The proposals are under review and funding determinations should be made late March or April.

11. Erosion and Sediment Control Program Review

DCR is continuing reviews of local erosion and sediment control programs as a priority for the FY 2005/2006 Program year, with a goal of completing all localities over a 5-year period.

Follow-up reviews to track local program implementation of required Corrective Action Agreements for inconsistent programs are ongoing. DCR is also collecting information regarding the number of regulated projects and the disturbed acreage associated with the projects from local governments.

12. Additional item of interest: Charlottesville seeks to join the Thomas Jefferson SWCD

By unanimous action of the Charlottesville City Council during their January 17th, 2006 meeting, the city will pursue the process of becoming a part of the TJSWCD. A petition by Charlottesville City has been submitted to the Virginia Soil Water Conservation Board (VSWCB) for approval.

The VSWCB will address the city's request during the VSWCB's March 16, 2006 meeting.

Future Board meetings will likely include actions that are necessary to satisfy steps and requirements that are outlined by state statutes for realignment of existing SWCDs and creation of SWCDs where no district exists.